BURNING ECONOMIC ISSUES









Shortage of margarine for baking products due to forex scarcity

Emirates and Kenya Airways exit Abuja route



Average interbank interest rates crashed to 20% pa. as FX auction disappoints

\$313m only sold, much lower than expected



Saudi Arabia launches its first international bond sale of \$17.5bn

ExxonMobil divests from Nigerian downstream sector



Naira flat at parallel market (N455/\$), down marginally at interbank (N305.25/\$)



DOMESTIC COMMODITY PRICES



• Price of baked products to increase by 15% - AMBCON



Prices of bread to spike



Rice trading at N22,600 per 50kg



Diesel price flat at N190-N195/liter



**Association of Master Bakers and Caterers of Nigeria (AMBCON)



DOMESTIC COMMODITY PRICES

	CURRENT PRICES			Lagos Price	
Commodities	LAGOS	KANO	ONITSHA	1 year Low	1 year High
Palm Oil (25L)	N14,000	N14,800	N14,200	N6,000	N16,000
Semolina(10kg)	★ N3,100	N3,150	N3,120	N2,300	N3,100
Maize (50kg)	₩ N13,250	N13,350	N13,450	N9,000	N13,250
Tomatoes (50kg)	⇔ N8,000	N7,800	N8,000	N8,000	N8,000
Garri (50kg)	1 N12,000	N12,200	N12,500	N8,000	N10,500
Rice (50kg)	1 N22,600	N22,000	N22,800	N12,000	N22,600
Flour (50kg)	◆ N11,000	N11,000	N11,000	N8,500	N11,000
Sugar (50kg)	1 N19,000	N19,500	N19,800	N8,000	N17,000
Beans (50kg)	1 N22,500	N22,300	N22,800	N9,000	N19,000
Cement (50kg)	★ N2,200	N2,200	N2,300	N1,400	N2,200



CONSUMER GOODS

GOODS	Current Price – Lagos			
Coke (60cl)	\longleftrightarrow	N100		
Beer (60cl)	\longleftrightarrow	N250		
Bread Loaf		N350		
Semovita (1kg)	\longleftrightarrow	N370		
Indomie (1 cartoon)	\longleftrightarrow	N1,800		



STOCK MARKET

- •NSE ASI down by 0.01% to close at 27,596.82pts
- •Dearth of positive news to boost investor sentiment

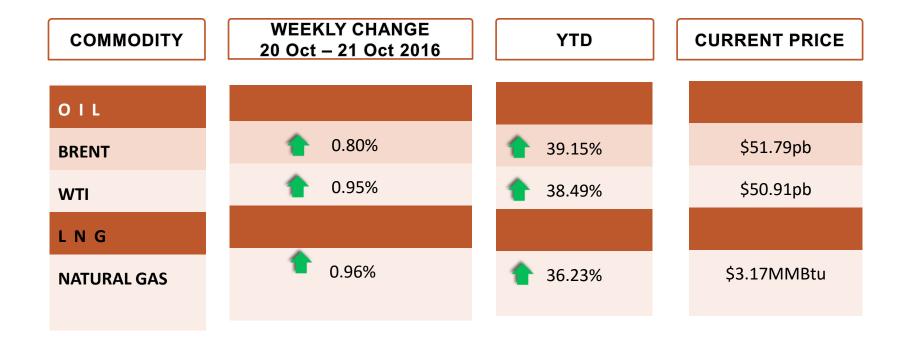
	Share Prices (₦)	W-O-W (19 Oct – 21 Oct)	Y-T-D (Jan - Date)
Nestle	805.57	- 0.69%	7.00%
Guinness	82.29	4.11%	34.50% 👢
Honeywell	1.24	1.61%	38.50% 👃
Flourmill	20.20	J 0.99%	3.80%
Cadbury	14.89	- 7.19%	19.40% 👃
NB	144.05	0.66%	6.60%
Dangote Sugar	6.50	1.54%	6.81%







OIL MARKETS TODAY





OIL PRICES STEADY ABOVE \$52



- Brent crude 0.80% to \$51.97pb
- WTI 0.95 % to \$50.91pb
- Oil prices gained momentum due to upbeat outlook
- "Fundamentals are improving, supply/demand are rebalancing"
 -Saudi Arabian Energy Minister
- "Confident about prospects of a planned production cut in Nov. 30 meeting" OPEC Secretary General
- Chinese crude production declined by 9.8% to 3.89mbpd
- U.S crude inventories fell by 5.2mb to 468.7mb EIA



AGRIC COMMODITIES

Wheat



- Wheat futures down 0.71% to \$4.17/bushel
- Favourable weather conditions in the U.S and Australia weigh on prices

Corn





- Corn futures down 0.49% to \$3.52/bushel
- Due to technical buying

Cocoa



Sugar



- Cocoa prices up 0.33% to \$2,707/mt
- Cocoa arrivals at ports in Ivory Coast reached 98,000tons
- Down from 145,000tons same period last year

- Sugar prices down 0.22% to \$22.97/pound
- Closed lower on expectations of early sugar cane crushing in India
- Coupled with good domestic supplies



OUTLOOK - OIL PRICES



- Oil prices to trade between \$50 \$55pb
- On expectation of production freeze in Nov. 30 meeting
- OPEC officials are optimistic about reaching a deal
- Production cut quotas will determine prices in the medium term

Weak global demand not strong enough to mop up excess supply



OUTLOOK - AGRIC PRICES

Grains

USDA unexpectedly cut forecast for global stockpiles

This will be bullish for grain futures in the medium term

SUGAR

Soft

Prices are expected to trade lower due to improved harvests in Brazil

COCOA

 Rainfall in West Africa is expected to revive trees and improve crop harvest

